

HOUSE BILL NO. 448

INTRODUCED BY J. POMNICHOWSKI

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAWS RELATING TO THE CLASSIFICATION AND INVENTORY OF STATE LAND; REQUIRING THAT THE INDEX OF STATE LAND AND THE CAPABILITY INVENTORY FOR CHANGING THE CLASSIFICATION OF STATE LAND INCLUDE STIPULATIONS AND CONDITIONS ATTACHED TO A TRACT OF STATE LAND; REQUIRING THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION TO PROVIDE THE BOARD OF LAND COMMISSIONERS WITH A LIST OF ANY STIPULATIONS OR CONDITIONS ATTACHED TO LAND PROPOSED FOR LEASE; AUTHORIZING THE BOARD TO WITHDRAW A TRACT OF LAND FROM BIDDING BASED UPON THE CONDITIONS AND STIPULATIONS AND IN ACCORDANCE WITH THE MULTIPLE-USE POLICY AND TO DIRECT THE DEPARTMENT TO RECLASSIFY THE TRACT OF LAND PRIOR TO SUBMITTING THE PARCEL FOR BID; AND AMENDING SECTIONS 77-1-403, 77-1-705, 77-3-401, AND 77-6-102, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 77-1-403, MCA, is amended to read:

"77-1-403. Capability inventory. A capability inventory ~~shall~~ must be made prior to changing the classification of state ~~lands~~ land. ~~Such~~ The inventory ~~shall~~ must include, when appropriate to the classification, information on soils capability, vegetation, wildlife use, mineral characteristics, public use, aesthetic values, cultural values, surrounding land use, and any other resource, zoning, or planning information ~~which~~ that is related to the classification, including the information described in 77-1-705(1)(e)."

Section 2. Section 77-1-705, MCA, is amended to read:

"77-1-705. Index and verification of ownership records. (1) The department shall establish and maintain a filing system and index of the following information on state land:

- (a) legal description of the land;
- (b) when the land was acquired or disposed of;
- (c) name of the state agency administering or disposing of the land; ~~and~~
- (d) name of the grantor or grantee; and

(e) any stipulations or conditions attached to a particular tract, including conservation easements, enrollment in the federal conservation reserve program, provisions related to public access and game management, and other stipulations or conditions affecting a particular tract of land.

(2) To the extent feasible within available funding and personnel, the department shall:

(a) verify the accuracy of information contained in the ownership records; and

(b) perfect title to state land whenever necessary."

Section 3. Section 77-3-401, MCA, is amended to read:

"77-3-401. Oil and gas leases authorized. (1) ~~The board is hereby authorized and empowered to may~~ lease in ~~such the manner as that it may determine~~ determines, not inconsistent with The Enabling Act and the constitution, any state ~~lands~~ land to which the title has vested in the state and in which the oil and gas rights are not reserved by the United States, for prospecting and exploring for oil and gas, mining, drilling, developing, and removing the ~~same oil and gas~~ upon the terms and conditions ~~herein~~ prescribed in this part to any person, association, corporation, domestic or foreign, or municipality qualified under the constitution and the laws of the state.

(2) This power and authority to lease state ~~lands~~ land for ~~such the purposes shall extend~~ described in subsection (1) extends to and include includes all ~~lands~~ land owned by the state under navigable lakes, rivers, and streams and ~~shall also extend~~ extends to and include includes all ~~those state lands which have~~ land that has been sold but in which the oil and gas rights have been reserved by the state; ~~but in such~~ In cases where the surface has been sold and in all cases where the ~~lands are~~ land is under lease for grazing, agriculture, or similar purposes, care ~~shall~~ must be taken in issuing the oil and gas leases to protect the rights of the ~~purchaser~~ surface owner or lessee. In order to assist in the exercise of this duty of care, the provisions of 77-6-102(2) apply to leases under this part."

Section 4. Section 77-6-102, MCA, is amended to read:

"77-6-102. Surface leases authorized -- procedure. (1) Under the general direction and control of the board, the department shall lease all agricultural and grazing ~~lands~~ land and all town lots, city lots, and ~~lands~~ land valuable for commercial development open to leasing upon proper application.

(2) Prior to submitting a tract of land for bid, the department shall provide the board with a list of any stipulations or conditions attached to the land as described in 77-1-705(1)(e). The department shall also provide

1 the board with the current occupancy status of the tract, the uses and rights associated with the tract, and the
2 status of the existing lease. The board may direct the department to withdraw a tract of land from bidding based
3 upon the conditions and stipulations and in accordance with the multiple-use policy provided in 77-1-203 if the
4 board determines that submitting the tract for bid would conflict with existing use. The board may direct the
5 department to reclassify a tract of land prior to submitting the tract for bid."

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